# Interview with Henry Reiter Webb Jr.

The Association for Diplomatic Studies and Training Foreign Affairs Oral History Project Agriculture Series

HENRY REITER WEBB, JR.

Interviewed by: Ray Ioanes

Initial interview date: May 3, 1994

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Q: This is May 3, 1994. I'm Ray Ioanes interviewing Reiter Webb, the interviewee, this is a recording for the Foreign Agricultural Historical Project.

Reiter, how did you get into Agriculture?

WEBB: My first job after college was working for the father of a friend of mine who happened to be a cotton-linters merchant in Memphis, Tennessee. That's how I got into agriculture, was through the cotton industry. Not unusual for somebody who grew up in Memphis, Tennessee because Memphis is still today the world's center of the cotton trade.

Q: Did you work in a particular specialized area in cotton in Memphis?

WEBB: The firm was CE Theobald and Son, as I say, they were merchants in Memphis selling to felt manufacturers, bedding manufacturers, furniture manufacturers. Linters are basically used for felting purposes and end up largely in automobile seats, upholstered furniture and mattresses.

The first year that I was with them, I was working on the buying end, traveling all over the middle South. The second year I was in Chicago as a salesman. The third year I was still covering the same territory, in the middle West, as a salesman but was based again in Memphis because the cost of living was so much cheaper.

That's how I ended up coming to the Department of Agriculture. Mr. Theobald was very well thought of by the people in Washington. The two men that worked on the cotton-linters program for many years were both retiring in 1954. The Department came to Mr. Theobald and asked him to make some recommendations about people that could take their places.

When the first man retired, I don't remember now what the order was, when the first man retired, at Mr. Theobald's recommendation, a chap named Mayo Visor came up here.

When the second one retired, Mr. Theobald asked me if I'd be interested. I said, I definitely would be interested. As much as anything cause I thought I would stop traveling so much. It turns out a very laughable event as I traveled a lot more later than I did in that first job.

Q: Was this job with Foreign Agricultural Service?

WEBB: No, this was with the Cotton Division of the Agricultural Marketing Service. Basically Mr. Visor and I, or Mayo and I, the first year we had a massive job because the cottonseed price support program that first year, this would be '54, '55, was based upon having all the cotton-linters classed. Classing was done by licensed classers in private industry.

Mayo and I were basically the supervisors that were supposed to keep all the classers using the same standards. Mayo had tuberculosis before he came to Washington and under the stress of this huge backlog that we had, he only lasted about 6 months, as I recall. He had to leave for health reasons.

The second year, they changed the cottonseed price program. We no longer had the grading volume that we had that first year. In fact, it just dropped by about 90%.

So after seven years with AMS, this job had never been higher than a GS-12. I'd gotten that after about the first two years. I should have also mentioned that the same year I came to Washington, one of our former colleagues, who just died a few months ago, Glenn Tussey, was also hired by the Cotton Division of AMS. Glenn and I worked together for that seven-year period, different jobs but in the same office all the time.

I was vaguely aware that there was a thing called the Foreign Agricultural Service although we had very little contact with FAS. In the summer of '61—I believe it was, it was in 1961, I really don't remember now what time of the year it was—two people that had been with the cotton division of FAS for a long time, one was retiring, I don't remember his name, I thought it was Francis Jack but I don't believe that's correct anymore.

Q: Francis Jack transferred at that point to another job.

WEBB: The man's name was Francis something, I never met him. He retired and, as I recall, he went to Louisiana before I ever came over to FAS.

Then Roy Paramore, the one who had been branch chief of the Foreign Marketing Branch of the Cotton Division of FAS, was being transferred to Rome in '61. So first Bob Sherman, the Division Director, hired Glenn Tussey to take one of these jobs. Glenn, in turn, hired me. So the two of us both came to FAS within a very short period.

I spent the next 3 years as a foreign marketing specialist in the Foreign Marketing Branch of the Cotton Division of FAS.

Q: What were your particular duties there?

WEBB: Two things: market development and PL 480. This is in the fairly early days when the only cooperator we had was the CCI and the National Cotton Council of America. CCI is Cotton Council International, which is nothing but the Foreign Trade Division of the National Cotton Council of America.

In those days, this is before the International Institute for Cotton came on the scene. The US Cotton Industry, and Jim Howard will remember a lot of this, had made what I would assume was a fairly difficult decision, and I think it was a very statesman-like decision, which was that the thing for us to do, for the US Cotton Industry to do, was not to go out and try to selfishly get as much as possible for the US trade. Rather that the biggest thing we could do was to expand the total consumption of cotton.

Later on the CCI role did become much more of a direct selfish interest in trying to sell US cotton. In the early days, the emphasis was completely on expanding total consumption of cotton around the world. We worked very closely with the Cotton Council people, both in the US and Europe.

A much smaller scale part of the branch's mission was to serve as technical experts in the field on the PL 480 program. We did have one chap in the branch, a very interesting man named Guy Jchilling, who was half-French and half-German, spoke German and French and a little bit of English, we used to say.

Guy worked mostly full time on the PL 480 program and traveled to the PL 480 countries. The rest of us, we did a lot of foreign travel. I remember my first trip in 1962, I went to Europe, for the first time I had ever been outside of the USA. I was there for nine and a half consecutive weeks and I went to 13 countries.

Q: What did you do?

WEBB: I would call on the textile industry, the local trade associations that were involved in the cotton business. That was an extremely busy trip because at that time the two

men in-charge of CCI were Read Dunn and Carl Campbell. The two chaps were virtually legends in their own time. These two men had been in the cotton industry for about 20 years at that point.

They had written letters of introduction, they must have written a hundred letters, on my behalf, to contacts they had in Europe. Everywhere I went I was just treated tremendously. If you were a friend of Read Dunn's, you were accepted with open arms in the cotton industry of Western Europe.

My job on the trip was to try to assess the cotton situation in each country and to come back with a report. I remember trying to give the report at your staff meeting, being told I had 5 minutes to discuss the 13 countries. That was rather odd.

Q: You're always long-winded.

WEBB: That was difficult.

Q: I take it though we were partners. We were partners with the industry sellers in this country through the medium of the Cotton Council International. In effect, the partnership went abroad.

WEBB: Exactly.

Q: New customers.

WEBB: It was very much a 3-way partnership. The USDA had contracts with the National Cotton Council of America and Cotton Council International which is, again, nothing but the Foreign Trade Division of NCC. The Cotton Council, in turn, had contracts in virtually every country in Europe. In fact, I think we did have in every country in Europe.

Q: Doing?

WEBB: Various kinds of market promotion, some store promotions, we'd have a Cotton Week.

Q: How about the Maid of Cotton?

WEBB: The Maid of Cotton has always been one of the most visible parts of the program. It's probably more of a PR thing than anything else. It got a lot of good publicity.

Q: I remember some of that publicity very well. Like the first gown produced entirely out of cotton in a trade show in Paris, as I recall—somewhere in Europe. We got a lot of publicity with that one.

Did you ever go to Thailand in this work?

WEBB: After that very long trip in '61, six months later I went on my first trip to the Far East. As I recall, that was South Korea, Japan, Hong Kong, Philippines, Thailand and ended up in Australia. This was in January of '62. So if you think about it, I started in Korea in the dead of winter and ended up in Australia in the middle of summer—that's an interesting experience.

The reason I have special reference there to Thailand, here I am on a trip, out for about 6 weeks, with really nothing in the way of clothes except business suits and that sort of stuff. I expected basically to be visiting textile mills and trade associations, and so forth.

When I arrived in Bangkok, I remember I got into the hotel and was having dinner. When the Agricultural Attach#, a chap we all remember named Sam Work, popped in with his baseball cap on, he always had a baseball cap on. I remember he asked me if I had gotten a message from him in Hong Kong. I said, no, I did not get a message in Hong Kong. He said, "Well, I'm here to let you know that we're leaving tomorrow morning at 5:00 to go out to the cotton growing industry."

Here I am with all my business suits and we spent the next four days out in an air-conditioned Jeep station wagon, calling on research stations, cotton growers. It was a wonderful experience and I thoroughly enjoyed it but I certainly was not mentally prepared to spend that 5 days out in the country as we did.

You get 5 miles out of Bangkok in 1962, at least, and that's the end of the paved roads. From there on out, you're just bouncing up and down on gravel and dirt roads. Seeing a lot more elephants than you see motor vehicles. They literally have working elephants everywhere we went, picking up timber and that sort.

Q: Did you ever get caned while you were in there?

WEBB: No, I never got caned, I'm here to tell my story probably because I never got caned.

Q: In this activity, in this cotton market development activity, PL 480 activity, did you see any evidence of cooperation or non-cooperation with others in the embassy?

WEBB: I think it's fair to say that other sections of the embassy, in particular the State Department, were always rather envious of the fact that Agriculture, in particular FAS, had this source of funds through the PL 480 program that financed the market development program, which was not available to them. I had a sense for many years that there was a lot of jealousy about this.

Q: Did you ever come across any attempt by the State Department to control the FAS programming?

WEBB: It's hard to remember this many years later, but the answer is definitely yes. They were always trying to get their foot into the program somehow so that the ECON Counselor could veto anything that the Agricultural Attach# wanted to do. At that point,

remember I'm still a pretty junior officer, I wasn't really privy to the in-fighting that went on but I know it went on.

Q: If I may interject as the interviewer, we had cases where the State Department would draw up the boxes so that the Agricultural Attach# was supposed to report to the Economic Counselor. When these came to our attention, even though it resulted in a very bloody fight, we got that corrected. Because this reflection of the power of the program and the State Department desired to take it on as their responsibility.

WEBB: I was fortunate in my two overseas assignments, we never had that problem. It was clearly understood that the Agricultural Attach# reported directly to the Ambassador.

Q: The next area that we are going to talk about here is your work in Trade Projects. It just seems to me that this is one of the shining examples of the work we did at that time to foster the interests of American exports.

WEBB: Very much so.

Let me try to set the stage here. Just before Jim Howard asked me to replace Stanley Phillips who got reassigned, Stanley had already done the first big evaluation of one of the market development programs and it had been of the cotton program, the CCI program. That was already in the bank.

When I went over and joined Jim in Trade Projects, we were starting the second very large evaluation which was of the soybean Program, what was in their Soybean Council. We did another one on wheat and several others of lesser scope.

A very interesting program. We basically put together teams, usually of 4 people from private industry. We were able to get some absolutely outstanding talents who participated on these teams. And someone like myself would be more or less the administrative officer for the evaluation team.

We would make all the arrangements and take them overseas. And have them go around and visit various offices and talk to the Ambassadors, Agricultural Attach#s, and the trade associations. And come back and eventually give us an evaluation of what they thought we were doing right and areas where it could be improved.

I think it would be appropriate at this point if I could just comment on some of the people we were able to use.

In the early days of 1954 when PL 480 was passed, suddenly FAS, a relatively small economic unit, was faced with this awesome responsibility to go out and promote agricultural exports. FAS had, what I think was, the good sense to recognize that we did not have the training and the expertise to do this and instead called on the Advertising Council.

The Ad Council, as I understand it, is the public service arm for the US advertising business. The Advertising Council appointed a committee of three executives, all of whom had recently retired. These three men became the beginning of our use of these outside top-notch people. The three men were Frank White, Kenneth W. Hinks and a wonderful guy name Lou Brockway. Frank White was about as unimposing a man as I've ever seen. He was a small man, he was constantly harruping and clearing his throat and so forth. But then when you saw his resume, it was unbelievable. This guy had been President or CEO or Chairman of ABC News, CBS News.

Q: Advertising agency.

WEBB: He just retired as the CEO of McCann-Erickson. But at other times in his career, as I recall, he had been editor of a magazine, he'd done anything and everything.

Ken Hinks was the one that I became the closest with. I almost think of Ken Hinks as being a second father to me. Ken was an extremely intelligent man from Minnesota, Phi

Beta Kappa from Minnesota. He had worked for many years in Europe with the J. Walter Thompson Company, which at that time was the largest advertising agency in the world.

Ken, before World War II, had directed all of their operations in Europe out of Berlin. During the war, Ken went to work with Bill Donovan and the OSS, which was the predecessor to the CIA. There were many parts of Ken's military service that he simply could not talk about and he would not talk about it. But then he went back to the Thompson Company and worked out of New York after the war. When we first, all of us sitting here, first encountered Ken Hinks.

A kind of tragic story. When he came back from the war, he married the widow of a good friend of his, who was captured in the Philippines and was killed by the American forces, when they sank the troop ship that he was on being taken to Japan. Ken ended up marrying this lady and adopting her two children whom I have met many times.

As he was approaching retirement, somebody said, you ought to take a look at Charlottesville, Virginia. So en route to Florida one year before they retired, Ken and his wife stopped at Charlottesville on their way down, liked what they saw. Stopped again on the way back and bought a lot and had a house built. He finally retired and moved to Charlottesville and within 6 months she died of cancer.

#### Q: That was sad.

WEBB: It was very sad. Hinks was just distraught. Frank White, I think, was the one that leaned on him very hard—that he needed to get active in something else, don't sit in the house there and mope, and that's why Hinks was available so much to us, to work on the market development program.

Q: Wasn't the presence of people of this stature in the industry a tremendous asset to us in evaluation because it was very difficult for the outfits we were working with, which in many

cases were fledgling outfits. They probably would have given us great problems except we had the experts to back up what we were suggesting.

WEBB: Absolutely. Some of the other people that I recall, the two gentlemen sitting here with me will know all of these names, we all remember Don Hobart. Don Hobart was the Sr. Vice President with the Curtis Publishing Company. The people that put out The Saturday Evening Post in the early days. He was also a professor at the University of Pennsylvania and had been past president of the American Marketing Association. Absolutely top notch individual. We used Don Hobart on several evaluation teams.

We had a management expert named Joe Freidlander whom we used once. We had Dean Malcolm Campbell from North Carolina State, Dean of the School of Textiles, that served on at least one evaluation team.

These men were recognized as outstanding leaders in their respective fields. They received and they deserved a lot of respect.

Q: I happen to recall the team that looked at the Sunkist operation, are you aware of that?

WEBB: I don't remember that.

Q: Sunkist was an operation that had been going for years before they came into a cooperative arrangement with us. Somebody in our outfit took a look at what they were doing, I don't know who it was but somebody did. And said, we need to do an evaluation of their operation.

This was apparently at a time when you weren't there.

But as a result of that evaluation, on which these people participated, the whole effort in Europe, which is essentially where they operate, was re-oriented.

The same thing happened with the cranberry people

WEBB: Ocean Spray.

Q: Ocean Spray cranberry people. As a result of these evaluations, they not only changed their programs but they got rid of the men who had been running their programs for years. So it was a very valuable step to an outfit which was feeling its way through unchartered waters. And it seemed to me, to be doing it in a very successful way.

WEBB: But we're only touching on half of the job that I had with Jim Howard. As I recall, after only being there for a few months, by this time Dave Hume, I believe, had become Assistant Administrator for Market Development. Dave Hume and Jim Howard called me in and said: We're going to give you another additional assignment here and that's to adapt the marketing plan concept into the FAS cooperator program.

Q: What did you say?

WEBB: To figure out some way that we could take the brand new industrial concept of the marketing plan, or management by objectives—another term that was used at that time—and figure out a way to use this in the FAS market development program.

Q: This was then a companion to the same step being taken by the Foreign Agricultural Service with respect to all its activities.

WEBB: That may well be.

Q: So these were parallel movements.

WEBB: Mine was limited to trying to figure out a way to use this. We need to keep in perspective here, we're talking about 1964, '65, '66. Robert McNamara was Secretary of Defense and had come into the government with this industrial technique that was used by most of industry.

Jim Howard sent me to a number of seminars in New York and other places given by the American Marketing Association, the American Management Association, and others. I did a lot of reading. Everyone that had used the marketing plan concept, it was based on sales and profits. We were a government agency, we didn't have any sales and we didn't have any profits.

For a long time I thought I was pretty well just stymieing here. I'll never forget. I read a story in the Journal of Commerce explaining how the Chevrolet division of General Motors, how they used the marketing plan concept, to figure out what they were doing right and what they were doing wrong.

I've never forgotten this. Basically what they do, they would go into a test market, they would do some market research. And they would stratify people and try to separate them out into levels. At the very top you'd have people that would only consider a Chevrolet if they were getting ready to buy a car. Then you'd have a group of people that would consider Chevrolet among others. You go all the way down and you have some people that never heard of Chevrolet.

So they go into a test market and do market research and determine what percentage of the population was in each one of these strata. Then they'd go in there and do a promotion program that was done only in this test market. Then they'd come back and do another market research analysis and determine how many people they'd move from level 4 to level 3, level 3 to level 2, and how that changed their buying propensity.

They said that they were never able to say that this ad campaign sold so many Chevrolets. But they were able to say that this ad campaign moved so many people from this level of propensity to buy a Chevrolet to a higher level, and they could quantify.

That's basically what I think we ended up doing in FAS.

Q: Did we go to that level of intensity and planning?

WEBB: I'm not sure because I was only in that job two years and suddenly was reassigned to London at the time when this was really starting to take off. But I believe that FAS today is still using it.

Q: We only have an interviewer here and an interviewee.

My impression is that we were talking about a forward planning program and we had objectives, concrete objectives. What we were trying to do was to fashion programs to meet those objectives. As I remember, this was a unique thing, at that time, in government. I can recall that the outfit in the government, in the Department of Agriculture, which was running this program used the work we were doing as an example to the rest of the Departments who resisted the forward planning.

WEBB: I remember that, that's correct.

Q: Anything else you want to say about that phase of your work?

WEBB: I was fortunate enough to be given a Superior Service Award by the Department for the work on the planning analysis, so I guess we did some useful things.

Q: Right, thank you very much.

Then you moved on to another assignment abroad.

WEBB: Yes, that was my first time to live abroad. Of course in all these jobs we were traveling abroad constantly. In 1966 the Department decided, or FAS decided, to select 5 mid-level officers to become the first Assistant Agricultural Attach#s for Market Development.

Q: May I interrupt? This was in our budget proposal for the year to the Congress that we would have, in 5 different parts of the world, specialists in market development. And so it came in a special appropriation that we got in Congress that year and you were one of the people selected.

WEBB: Right.

I went to London in the summer of '68. Alex Bernitz went to Germany; Glenn Tussey, my old buddy from AMS, went to Rome; Jimmy Minyard went to Tokyo; and I'm forgetting one. Each one of us had, I'm sure, very different experiences because the countries were different.

In London, basically I was responsible for approximately 25 commodities with a total promotion budget in the country of about 4 million dollars. Some of the commodities would have more than one cooperator so we might have had 35 to 40 different groups to work with.

It was a very interesting assignment. Up to that point, I had been involved mainly with cotton and then of course some of the other bulk commodities like wheat and all the grains.

Q: There was a project, as I recall it, at that time you were there, on corn which was used in the making of scotch whiskey.

WEBB: I don't recall that one.

I think the one I enjoyed the most was being told, not being asked being told, that we were going to do a promotion in the UK on fresh green celery out of Florida. We had a budget of perhaps \$2,000.00 to try to take on this whole new market.

To put this in perspective, the people that are reading this eventually may not be aware but in Britain at that time, celery was not eaten green. Basically celery was covered with earth as it was maturing to keep it white and they would eat it as a cooked vegetable. And here we were trying to introduce a completely new form of celery.

We had only a few limited tools to work with. The Florida Fresh Produce Exchange had some beautiful advertising materials that they provided to us free of charge.

What I basically did, I went to a chap that worked for an advertising agency and several other projects for us. A fellow named Peter Hood. Peter and I had gotten to be good friends. I went to Peter and I said, "Look, I'm not going to ask you if you want to do this because I know you don't, on a budget of \$2,000.00. But we are just going to make this a condition of continuing to work on other things, that you are going to figure out a program here for."

#### Q: You blackmailed him!

WEBB: I blackmailed him for fresh green celery. He took the \$2,000.00, he hired a couple of pretty girls and put them in green pants suits, he rented a green mini van and gave them all the advertising material and sent them out to call on green grocers.

Now, we did have enough sense to find out who is importing this stuff, which retailers is it going to, which wholesalers, so we were not calling on people that would not have a supply of it. Basically, the girls would go into a retail store, and tell the store owner that if he would let them do so, they would dress up the store with these advertising materials free of charge.

The thing was a tremendous success. The reason it was so successful was that all we had to do was to get people to try it for one time. They were absolutely hooked on fresh green celery. A very limited campaign that I think had a lot of effect.

Q: Now this was a project that we put on ourselves.

WEBB: This was a project that we put on ourselves. We had no cooperators.

Q: When you mentioned the 4 million dollars for perhaps 25 groups, there were other projects that we did ourselves in that as well as cooperator projects?

WEBB: In addition to cooperator projects we had, at that point in time, a very busy Trade Fair and Trade Show program.

Q: Was that included in the four million?

WEBB: No, this was just for the cooperator programs. We had another Assistant Attach# in London at the time, Bill Joholl, who was running the Trade Fair program and the Trade Shows at another building, I can't remember what we called it.

Q: Albert Hall?

WEBB: No, it was near Albert Hall, well, it's not important.

Even though I was there as one of the 5 Assistant Attach#s for Market Development, nobody in FAS ever went to a foreign post without having some reporting assignments.

Q: You had some reporting assignments.

WEBB: Right.

Q: Tobacco, wheat?

WEBB: I almost automatically got the responsibility for cotton reporting. Beyond that it was just a question of what strengths do other people have. And if we don't have anybody that knows anything about a particular field, we'll just divide up those as fairly as we can.

Basically I ended up handling responsibilities for cotton, tobacco, wheat and fruits and vegetables. Fruits and vegetables took up more of my time than anything else.

Q: Reiter, this maybe encompasses more of your career than you've talked about to date, but isn't there a difference between the quality of basic information that FAS would get in the field from most governments, in one country as opposed to another.

WEBB: It is as different as night and day. In the UK this was an extremely simple responsibility. We had access to some of the best statistical information in the world. The British were accurate, they could give you information on virtually anything that you wanted.

In fact, that brings me to another point. At that time, and he's only retired about 2 years now, we had an outstanding local employee in London named David Evans. By the time I got there, I'd known David for some years, but by the time I got there David had been doing cotton reporting for a long time. I've always been a believer in—if it's not broke, don't fix it.

So what we basically did was David continued getting all this statistical information and preparing that part of the cotton reports. I would do the part that I could do better than him which was to draw upon my trade connections.

Once every quarter before our reports were due, I'd take a short trip up to Liverpool to the cotton trade and to Manchester for the textile industry. I would come back to the embassy and write the outlook and the situation part of the report. David would do all the statistics.

Q: Weren't you there at the time that EFTA was in being?

WEBB: Yes.

Q: What was EFTA?

WEBB: European Free Trade Association which was, as I recall, most of the Scandinavian countries plus the UK plus Portugal. It was the ones that were not in the European Community, or the Common Market as it was called in those days.

Q: Why did it come about?

WEBB: I think these countries were trying to enjoy some of the advantages of a trading bloc without being, as the British would have felt, being forced into the Common Market. It was never very successful.

Q: Did you ever get the impression that maybe this was a weapon of the British to have a mechanism they could belong to. Because they didn't want to belong to the Common Market.

WEBB: Absolutely, they did not want to belong to that. They were basically forced into the Common Market by circumstances. During the time I was there, they were not in the Common Market. Politically, I think it would have been a very negative thing to be favoring the Common Market because the British people did not want to belong.

Q: I'm going to become an interviewee at this point.

There was a time during this period, Reiter, when you were abroad, that the British government, through their Minister of Agriculture, approached Secretary Friedman with a deal.

Which said: We were prepared to sign an agreement with you, to guarantee you your grain market in the United Kingdom, through an adjustment in our pricing system—if imports went down, we would lower prices; we would have the right to increase prices if the imports went up. But to guarantee our historical share of that market.

That was an amazing thing to do at that time. It never hit the papers because it never finally became a fact. But it is evidence of the lengths the British would go to, to stay out of the Common Market.

Then you moved to...

WEBB: Let me comment briefly on something else on the reporting responsibilities of fruits and vegetables.

One of the things that we reported on in London, I think we were probably the only post in the world, that reported on dried fruit. The British have always been very fond of dried fruit. We were suppose to come up with a quarterly report.

One of my predecessors, may have been Turner Oyloe who was there immediately before me, but as I recall, it went back years before that.

One of our predecessors had found a chap named Tommy Hammet, down in the city, who was the principal in a firm that was very active in dried-fruit trade. All we had asked Tommy Hammet to do was to give us some prices. Well, whoever sent that first request asked for it back by a certain date. It didn't come back by that date. About a month later, not only did Mr. Hammet provide us with an extremely good set of prices, he basically wrote an analysis of the concurrent status of the world dried-fruit trade, that was just a classic.

So we had learned that what we had to do was to trick Mr. Hammet. You had to tell him that you really needed it January 1st instead of February the 1st. So that he'd get it to you by February the 1st, when you really need it.

We found out that if you just gave Mr. Hammet enough of a lead time, that he would write an outstanding report for you. But there was a price to be paid. The price was that once a year whoever was reporting on dried fruit had to take Mr. Hammet out for lunch.

Q: Small price.

WEBB: Lunch with Mr. Hammet consisted of a couple of martinis before lunch, a bottle of wine with lunch, a glass of port after lunch. And this little tiny wizened man, of about 75 at the time, would then proceed to go back to work. It was well understood at the embassy that whoever took Mr. Hammet to lunch did not return to the embassy.

Q: I understand. There was a guy on cotton in Japan who had exactly the same pattern of consumption that your friend Hammet had.

Now you finish your assignment in the UK and you come back home.

WEBB: Yes. I came back and spent two years as Chief of the Foreign Marketing Branch in what we called then the Fats and Oils Division, today it's Oilseeds and Products. This is probably the part of my FAS career that I remember the least. I don't know why because it was an interesting and challenging assignment, working in a whole new commodity.

Most of it was work with what was then the American Soybean Association, and is today. Also, I did a fair amount of work on peanuts and a little bit of work on cottonseed.

I remember making a number of trips, largely to the Far East, with Chet Randolph who was then the Executive Director, of the ASA.

At that point in time, ASA was a very small organization in a very small town called Hudson, Iowa, with almost no money. It's nothing at all like it is today with the check-off system that we have. But they did good work, tried hard. I thought Chet was a very talented and likeable person.

I also remember some trips to Europe. I think his name was Del Randolph with the Peanut Association?

Q: You got me.

WEBB: Whatever it was. I remember making some trips to Europe.

As I say, I don't remember a great deal more about that 2 year period.

Then it was back to the Cotton Division, this time as Director. Bob Sherman, who had hired Glenn Tussey and I, had retired in '68. Glenn came back from Rome the same year I came back from London, and became the Director. Glenn called me one day and said that he was going to move over to the PL 480 program. And that I should go tell Ray loanes that I would be interested in the job as Director of the Cotton Division.

Ray, you may not remember this but I will never forget it. You looked at me like you were surprised. You looked up at the ceiling once or twice, then you said, "Well, that's an interesting idea." About 6 weeks later, Francis called, as I recall it wasn't you, and said, "You're taking over the Cotton Division on Monday."

So that's the way I returned to cotton.

Q: Wonderful, wonderful. What did you do on your return to cotton?

WEBB: Again, market development was certainly the highest emphasis as it was throughout the agency, I think.

Q: Was this the beginning of the international effort?

WEBB: Actually, it started while I was in London. I remember I said earlier that when I was previously in the Cotton Division we only had the one cooperator-CCI. It was trying to expand the world market for cotton.

Read Dunn and some others, particularly Julian Rodriguez Adame of Mexico. Mr. Adame, he was called Adame and not Rodriguez, was a very talented and likeable man who had

been Mexican Minister of Agriculture and later he was their Ambassador to Korea and Pakistan, and more or less had a permanent office in Washington.

For many years Mr. Adame had a dream about getting international cotton promotion program going. While I was stationed in London, they actually got the first 6 nations to join what became known as the International Institute for Cotton.

With this, we had just a sea change of emphasis. The IIC was now responsible for trying to increase the total consumption of cotton, largely in the developed countries, where most of it was consumed. CCI was in the process of readjusting, it took some years to do this, back to trying to promote US cotton specifically.

Q: With objectives in terms of bales of cotton sold.

WEBB: Bales of cotton sold.

Q: US bales.

WEBB: US bales of cotton sold, exactly. So it was the IIC's job to expand the total size of the pie, and it was the responsibility of the CCI to see that the US got as large a slice of that pie as possible.

Q: The CCI program is still going on today, isn't it?

WEBB: The CCI program is still there.

Q: How about the international program?

WEBB: The international program has basically collapsed. It collapsed for a very simple reason. No one ever wanted to pay for it. The US virtually all the time was putting up at least 75% of all the money that IIC received.

Q: Wasn't the financing on per bales of cotton exported?

WEBB: Exactly, it was only on a per bale basis.

Q: And we were the biggest exporters.

WEBB: We were the biggest exporters. The membership never got over, as I recall, 11 cotton producing countries and there are about 50 countries around the world that are major producers of cotton. Many of them, it's their most important export. You'd think that they would be eager to join in a cooperative program that would help them probably more so than anything else. But everyone wanted a free ride.

Q: Wasn't Egypt a large cotton exporter at that time?

WEBB: Egypt was a large cotton exporter and at one time was a member of the Institute and dropped out. It finally collapsed, I think, about 3 years ago. Long since I've been involved in it.

Q: I would say this to you, I think the fact that such a program was started is a tribute to the people who started it. The man, I thought, had a lion share for starting it was our good friend Read Dunn.

WEBB: Absolutely, Read was the first Executive Director. When he retired, Peter Pereira, who's a British market researcher, took over as Executive Director.

So the emphasis now was completely different. We were hopefully looking at a larger program but we had two different programs for it. The American Textile Manufacturers Institute also had a very modest research program that was funded through the FAS program.

Q: Are we, at this point in your career, in the position where our cotton exports had been trending down, as compared to what they were right after the war and before the war? Or had we started recovery in the other direction?

WEBB: No, I think at this point we were still in the down slide. Man-made fibers were still, every year, taking a larger percentage of the world fiber market. The natural fibers, of which by far the largest is cotton, were still declining.

Q: So we faced a challenge.

WEBB: We faced a big challenge.

Q: I take it the competition was man-made goods, the single biggest factor in the challenge.

WEBB: Yes plus another factor, and that's the old concept that the US was the world's residual supplier. Everybody else would undersell the US cotton price by just a shade and then when all that cotton was sold, then and only then, would US cotton sell.

Q: We are still in the Cotton Division of FAS.

WEBB: Just some other thoughts here. It amazed me when I went into that job, compared to the ones I had before, the amount of requests that we got for speeches. It just seemed to be endless. The National Cotton Council would call up or some of the textile, in addition to the national textile groups, local groups would call us they'd want somebody to come down.

I just almost sounded like a broken record to myself, giving speeches on the world cotton situation and the outlook for US exports. But since it became obvious that I was going to do a lot of it, I decided to try to do it well and get used to it.

I put a lot of time and effort into making speeches. I never read a speech in my life. In fact, I would usually not even take a copy of a speech to the podium with me.

Q: That's pretty good isn't it.

WEBB: Yes it is.

Q: Yes it is.

Now, we're done, I take it, with your assignment in the Cotton Division. You're moving upstairs at this point?

WEBB: Yes, at this point FAS decided to split the Commodity Division, and have 2 cotton divisions for all practical purpose. One for marketing and market development; the other one for basically economic analysis.

In 1974 Brice Meeker, who had taken over as Assistant Administrator for Commodity Programs, asked me did I want to stay with either one of the cotton divisions; or he offered me the chance to go up and join his team as Deputy Assistant Administrator for Management and Operations. I thought it was time to broaden my horizon again so I accepted the job with Brice Meeker and never regretted it.

Q: What were the chief components of that job?

WEBB: Again, I thought it was going to be strictly a management sort of thing, that's what was my specific assignment. All of us knew Brice Meeker. Brice had absolutely no interest in management things, Brice wanted to be the chief economist for the Foreign Agricultural Service.

Q: And he was.

WEBB: He was and he was absolutely delighted for me to just to take on all the management stuff and keep it out of his office. But as always happens with these jobs, you end being shaped to fit the needs of the time, the strengths of the people in that particular office, the weaknesses.

I ended up doing, as well as the management responsibilities which really did not take up a large part of my time, I ended up editing all of the publications. I'm not talking about the Foreign Agriculture magazine here, I'm talking about all of the bulletins, the FAS publications that were put out on a reporting schedule.

Q: Incidentally, I need to stop you. I don't think we quite really told people that the heart of what FAS does is to publish intelligence reports on the crop situations around the world, and on export opportunities around the world. This is a highly professional function which is much needed by the trade, by producers, not only here but all over the world.

WEBB: We had a lot of people in FAS writing publications, commodity bulletins being a large part, who were very good in their field but they weren't all the worlds best writers. Part of my job was to try to keep the editorial level of it as high as possible.

For some reason I also ended up being the FAS representative on several working groups. At that point in time, we had bilateral agreements with cooperation in agriculture. The big one, of course, was the Soviet Union.

Q: Wasn't that an aftermath of detente? It was part of detente, wasn't it.

WEBB: I'd put it this way. It was an effort for two different countries to get two different objectives. I'm not sure either one of us ever got what we were really after.

On the US side, what we wanted to out of the bilateral agreement with the Soviet Union was better estimates on grain production. What they wanted out of it was research and technology.

So we had a joint working group which was at the Assistant Secretary level, then we had two working parties below that. One on Science and Technology, and one on Information and Statistics. I was the FAS representative on the working group for Information and Statistics.

The top group, the one that was at the Assistant Secretary level, it met once a year, alternating between Washington and Moscow. The working parties would meet at least twice a year, alternating between Washington and Moscow.

These meetings with the Soviets were extremely frustrating. They would tell us time after time after time that they had no basis for making forward estimates. At that time we were doing a postcard survey, of I think 10% of the producers in the country, in coming up with crop estimates that were the envy of the world, on our own production. And here are the Russians saying that they can't do any forward estimates.

One of the things we studied while we were in the Soviet Union on one occasion, was their whole system of reporting. Every cooperative farm and state farm in the country reported once a week to Moscow on their achievements since the previous week. And yet, the Soviets insisted they could not come up with forward estimates.

Q: How about our ability to go into the field for ourselves and look at the crops.

WEBB: We tried that but as we all know, they put all kinds of restrictions on travel by the attach#s we had stationed in the Soviet Union. There is only so much that one or two or three people could cover in any event. We were also trying to do some crop estimates through the Landsat program at that time. Which was of modest success.

Q: Pretty early. I need to go back and help you.

There were a series of agreements at that time which were part of the time. The position of the Department of Agriculture was, we do not want an agreement with the Soviets for the reasons you've already given.

I can recall the meetings with the National Security Council where we were told: it doesn't matter what you want, it's been determined that you will have an agreement, as well as the other departments of the government have these agreements with the Russians.

So there was a great deal of unhappiness about them. It is also true that our people in the grain division got no better cooperation from the Russians on their travels to ascertain the crop than they had before.

What about the other bilateral agreements.

WEBB: I only worked on one other and that was Poland. Where everything was as different as night and day. The Poles were cooperative and friendly and helpful to us. The meetings would accomplish objectives, things would get done, people would complete assignments. It was as different as night and day working with the Poles as compared to the Soviets.

Q: I notice also that you were on a group that reviewed the world food situation at that time.

WEBB: Again, this is one of those assignments you wonder how you ever got involved in it. It turned out to be very interesting.

As I recall, FAS was asked to send somebody as part of the delegation to the first meeting of the World Food Council. This is not the World Food Conference that was chaired by Henry Kissinger. This is after that when a working body was being established.

Part of that same, more or less incidental, assignment I ended up again giving speeches around the country on the world food situation and what needed to be done in that area.

Q: I can recall those days too because I was out of the government by this time. It was quite clear there was an argument going around about what happened to our grain. There was tremendous push coming from people, like Lester Brown, who argued that we should be cutting down on our feeding of grain to livestock in this country. To save the grain for human consumption.

The answer to that, which was obvious, was that if we hadn't built up our grain industry as we had, we would not have the grain anyway to feed the world. So the animals were a reserve supply of grain because as prices went up for corn, less was fed to animals.

We move you now to Cairo.

WEBB: Cairo, Egypt.

Q: That evokes a lot of questions to me: the Aswan Dam, the huge cost of foreign aid to Egypt, the role that Egypt plays in the troubled Mideast. Perhaps I'm getting ahead of myself in terms of asking you to comment on that. But it seems to me, there must have been by this time, clear evidence that Egypt would play a key role in whether that area ever got pacified, or whether we would have continuing problems there for the rest of our lives.

WEBB: Well let me just try to make a few remarks to put this in perspective. Remember that this is 1976 and in '67 basically our embassy was kicked out of the country. My predecessor was given about 24-hour notice to get out of the country in 1967.

Q: Who was your predecessor?

WEBB: Jim Hutchins. There was a 9 year gap when FAS had no one in Cairo. It was a point where the US Mission in Cairo consisted of 12 people including the marine guards and the communicators. It was down to that small.

Q: The whole staff, I see.

WEBB: Anwar Sadat, then the President of Egypt, obviously made a decision, about 2 years before I went over there, that this had been a failure and it was time to reestablish relations. I was number 35 at the embassy, again counting the marines and so forth, when I went over there.

Q: What year was that?

WEBB: 1976. When I came out two years later, there were over 250 people at the embassy. I believe now that the whole US Mission there is about 500, it's grown enormously.

Q: Was the change in this the Camp David agreement?

WEBB: A lot of it grew out of the Camp David accords, exactly.

This was in some ways a very challenging assignment for me because everyone knew in advance that the Ambassador, Hermann Eilts, a career Foreign Service officer, an extremely able man, had resisted putting an Agricultural Attach# back into Egypt. I remember being called in by Dave Hume before I went over there.

Q: Dave Hume was then the Administrator?

WEBB: Yes. Being told that probably my highest priority was to convince Ambassador Eilts that he needed an Agricultural Attach#—that an Attach# could be of help to the embassy.

I want to emphasize that at no point did I ever get any sense of that whatsoever. Ambassador Eilts was always as friendly and warm and helpful to me as anybody could have possibly been.

But those were exciting days. We had, as I said earlier, we had 35 people at the embassy. Ambassador Eilts had a staff meeting every morning at 8:30 in his office. Basically, what had to be done that day was distributed around to people at the table. You went home that night when you got it done.

We worked 7 days a week for the first 6 months that I was there. No one at the embassy took off a single day. But you really had the sense that you were a part of a country team in the best sense of that term. Ambassador Eilts didn't just tell you what you wanted to hear. Everyday you would find out about his conversations the previous night with President Sadat or the Foreign Minister.

It was just a very hardworking, very tiresome, a very difficult assignment. Egypt is not an easy place to live, it's not an easy place to get used to. Very poor sanitation, very poor medical treatment.

The city itself, Cairo, in 1976 was basically a city of, we used to say 9 million by night and 11 million by day. Because there were 2 million that would come into the city. The city had added nothing in the way of infrastructure since it had been at the 3 million level. People were living in the famous City of the Dead, living in tombs where people were buried.

We were a very busy, very active post.

Market development has kind of been our central theme here. We did have some market development activity in Egypt although it was nothing like the things I had done in Europe. Interesting enough, one of the biggest ones there was cotton. The whole idea here was

that Egypt produce nothing except very top quality cotton. They were taking this cotton, which was worth a lot of money in the world market, and using it to make their own textiles.

Q: I understand.

WEBB: For towels and things. This is cotton that should have been going to Paris being spun and woven and producing fine dresses. Instead they were using it to make cotton socks and cotton towels.

So by this time the US was trying to get the Egyptians to import US cotton, medium and shorter length cottons, to fill the appropriate uses for those staple lengths. And export their own cotton at about double the price.

We did have some success. Although the big concern of the Egyptians was they were afraid that by bringing in foreign cotton, they would also bring in some pests that were not known there. I traveled several times to the West Coast to show Egyptian officials our fumigation facilities and try to convince them that we could fumigate the cotton to where there was simply no risk at all.

Q: It didn't work.

WEBB: It worked up to a point but it was not completely successful by a long shot.

While I was there we also did several Food Fairs where someone would come out to Cairo. We didn't really have to do much work on these. Someone would come out from FAS headquarters in Washington, usually for 2 to 3 weeks in advance, and put on some very well done Food Fairs.

Q: Were these only for Egypt or were people from other countries invited.

WEBB: Some other people were invited but it was largely for the Egyptian market.

Q: Didn't you have a huge PL 480 program there?

WEBB: Yes we had the largest food aid program in the world.

Q: At that time.

WEBB: At that time. It was around 750 million dollars a year, almost all of it wheat and wheat flour. There were few other things. In addition there was also the Commodity Import Program of the AID mission. It was bringing in vegetable oils and some other agricultural products.

The total agricultural market in Egypt for the US was probably close to a billion dollars.

Q: Isn't there still, you may have lost touch with it, I assume that much of that same program effort is continuing today.

WEBB: I'm sure it is, simply because the population increase in Egypt is far higher than any increases that they're realizing in agricultural production.

Q: I can recall getting a report from Cairo, earlier, deploring the fact that the government subsidized the consumption of wheat and therefore there was a huge drain on the treasury of the Egyptian government. The government attempted to reduce that subsidy and there was rioting in the streets.

WEBB: I was there when some of the rioting took place. The World Bank had imposed some strict conditions on new loans to Egypt. President Sadat just decided, to convince the World Bank that they couldn't do this in Egypt, was to announce that he was going to double, triple, or quadruple the price of bread.

As you say, there was some rioting in the streets. There were some gunshots in the streets. The embassy was virtually shut down for 2 or 3 days while things got resolved.

Q: Do you want to comment on the Aswan affair and how that's worked out? As you know, the United States was first offered the opportunity to build the dam and turned it down. The Russians moved in and helped finance the dam. Has that worked or not?

WEBB: By the time I got there, the Aswan Dam had been up for some years. It was there and no one was going to tear it down. It is a popular subject of conversation in Egypt as whether the dam is a net benefit or a net detriment to the country.

On the benefit side, it controls the water. They don't have the flooding and so forth that they used to have every year with the river being uncontrolled.

On the negative side, by far the biggest thing was that the silt that was deposited each year by the flood, was the major source of fertilizer for that year's crop. Now they're having to use chemical fertilizers for substitute. Also, there's a lot of concern about what has happened to the silt. Lake Nasser behind the Aswan Dam will eventually silt up.

Q: My impression, this is kind of a distant impression, is it simply hasn't worked the way people hoped it would.

What is the future of Egypt in that part of the world. We started out with tremendous cooperation with the Egyptians. You've already talked about the Camp David agreement. Today Mr. Christopher is in that part of the world seeing what help he can give to the movement of the talks there.

How pivotal is Egypt to the coming of peace in the Near East?

WEBB: I would think that Egypt will always be the central player. Here in the western world we don't appreciate the fact that for the Arab, Cairo is the capital of the Muslim world. The Egyptians, over a long period of time, have provided both education for people from all over the Arabic speaking world; and have provided a large part of the number of doctors, and well trained professionals, for the whole Arab world.

It would be very difficult to think of the Arab world without Egypt being a very central player.

Q: Did you want to venture any opinion as to whether we're going to be able to bring stability to that region, with or without Egypt?

WEBB: I hope it happens in my lifetime but I wouldn't place any bets on it. The animosities are so deep.

Q: Have you any other comments about that assignment in Egypt?

WEBB: I've just mentioned earlier how difficult it was to learn to be there and to function. But we've had that in many other countries.

Q: Well now, even though this moves us beyond your career with FAS, you did have a very important assignment afterward that I wish you would comment about.

WEBB: I came back from Egypt in 1978. The Department had decided once again to rearrange the Commodity Divisions. They put together a new entity called the Tobacco, Cotton and Seed Division. It was doing almost the same sort of work that I was doing in 1970 to 74, with the fact that it included cotton, tobacco and seeds instead of just cotton.

I had only been back for about a year when I received a phone call from a colleague, that I had known some time before, who had become the Chief Negotiator for Textile Matters in the office of the US Trade Representative, Michael B. Smith. Mike called me one day and said, "Would you like to replace me as Chief Textile Negotiator with the rank of Ambassador." It took about 30 seconds to say yes.

So Mike went on to Geneva as Deputy US Trade Representative and US Ambassador to the GATT. I replaced him as Chief Negotiator for Textile Matters under Reubin Askew, who was formerly Governor of Florida. He had just replace Bob Strauss about two weeks

before I came over and replaced Mike Smith. So Ambassador Askew and I had to learn our jobs together.

Q: In that job, what was the outstanding role you played in connection with one of our major partners today, China.

WEBB: Exactly. Let's add a little perspective here. In 1978, '79, '80, the big 3 who held most of the quota on textiles and apparel were South Korea, Taiwan and Hong Kong. Japan had been a major player and was still number 4 but was falling rapidly because Japanese labor cost were simply not competitive with the other producers in the Far East and other parts of the world.

China had been out of the trading system for 35 years and was starting to come back into it. It was, at that point, number 5 as a supplier to the United States and was rising very rapidly. We had deliberately let China go up to 100 million square yards equivalent in exports to the US, far more than any other country had ever been allowed without putting quotas on them.

Q: Why do you think that was done?

WEBB: Political reasons.

Q: Political reasons in the sense of what, weaning China away from something, trying to break up the relationship between China and Russia?

WEBB: All of those things were important but more than anything else, it was trying to encourage China to once again become a part of the world's system. China had been virtually behind its own self-erected wall for 35 years. We had no contact with them until the famous Nixon trip, just a year or two before the time we're talking about.

So the main thing I had to do, we had to negotiate constantly with the big 3. Every year some textile agreements would run out, have to be renegotiated. But by far the biggest emphasis was on trying to get the Chinese to reach an agreement with us.

In fact the first day that I served as US Chief Negotiator was with the Chinese, I believe it was in October of '79.

Q: I thought you told me at one point, that you learned valuable negotiating from some of the Chinese. About how you had to establish your position with them, your truthfulness with them.

WEBB: After that session in the later part of 1979, no negotiations took place for a long time. The US put unilateral quotas on the Chinese which basically froze everything in the warehouses. They were shipping so fast that all the quotas were used up and several hundred million dollars worth of merchandise was sitting in warehouses. Much of it having been paid for by the US trade, who of course was screaming bloody murder, so that they could get their goods out and sell these things.

We heard nothing from the Chinese for a period of quite a few months. Then there was a point when I was with some of my government advisors, not with the industry advisors, but with government advisors in negotiations with Japan in Honolulu.

We made sure that the Chinese knew we were there. Sure enough we got a message from them saying—since you're so close, halfway across the Pacific, why don't you come on to Beijing and see why we're not talking. So we told them that we would accept their invitation although we could not actually negotiate because we had no negotiating instructions; we didn't have our industry advisors; we had not left Washington prepared to negotiate.

About four of us went into Beijing and met with them for 4 days. We had lunch and dinner with them everyday for 4 days. For the first time the Chinese had assigned a Minister to

negotiate for their side, a chap named Wong Min Mung, after the second session he asked me politely why we were not having negotiations.

I explained that the US had put a number of proposals on the table from which we'd gotten no responses from the Chinese. And there were some areas of the proposed agreement that the Chinese just refused to even discuss with us.

The Chinese delegation withdrew from the room for about 30 minutes. And came back and gave us responses to all the issues—that we had made proposals and gotten no responses—and indicated that they were more than willing to discuss anything else. So we agreed at that point that we would resume the negotiations. That went on for another 4 sessions, after the 2 that had taken place either before I got there or the one where I joined it.

The last of these negotiations with the Chinese was in Washington in the mid-summer of 1980. We came within, as I recall, we were like one and a half percent apart. Everything in textiles is converted in what we call square yard equivalent. We were less than 2% apart and the Chinese got up and walked away and went home.

That was just unthinkable to the rest of us. If it had been Hong Kong, they would have thrown the key to the door out the window and said—nobody's leaving here until we resolve this when you get this close.

So here we were, virtually had an agreement and the Chinese got up and went home. We never actually resumed the negotiations. What took place thereafter was almost laughable.

Fortunately we had an Economic Counselor in Beijing, a guy named Wally Lenahan. He was not only a fluent Chinese speaker, but he had worked in the textile industry and therefore was pretty well acquainted with the issues and the terminologies and such. For much of this time Lenahan was in Beijing, I was in some other negotiations in Geneva, and my boss, Governor Askew, was back in Washington.

Every morning when I'd get up, I'd go to the US Mission in Geneva. I'd get an overnight telegram from Lenahan in Beijing who would tell me that: Yesterday I gave the Chinese your responses to their concerns of the day before, now here are the Chinese questions for today. Then I'd analyze this and wait until 3:00 in the afternoon because of the time difference. And I'd call Governor Askew in Washington, or wherever he was, and tell him what had happened since I talked to him the day before.

Governor Askew never tried to get involved in the substantive negotiations but he was very much interested and very much aware of the political implications back in the United States. He would usually take an hour or two on the telephone and call me back in Geneva. We would frame our answers to go back to Beijing over night.

We continued this rather tedious process until finally the Chinese admitted that there were no further unresolved issues.

End of interview